

Creamery, and I want to congratulate them for 90 years of operation in making America's best cheese.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

(Mrs. CLAYTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. TURNER) is recognized for 5 minutes.

(Mr. TURNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE TAX BILL AND OUR TRADE RELATIONSHIP WITH THE PEOPLES' REPUBLIC OF CHINA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from California (Mr. SHERMAN) is recognized for 60 minutes as the designee of the minority leader.

THOUGHTS FOR THE PEOPLE OF ATLANTA

Mr. SHERMAN. Madam Speaker, our hearts go out to the people of Atlanta, especially the families of the dead and the wounded. For the next few weeks, our hearts will be troubled by the constant questions: Why? What could have been done? Frankly, I do not have any answers.

For this reason, I will ask Members to indulge me, because I came to the House to speak about other subjects, even though, as much as we would like to concentrate on the fiscal subjects that I would like to address, our hearts will still be with the people of Atlanta.

Madam Speaker, I have come to the House rather hurriedly. I became aware just a few minutes ago that I would be the designee of our side to speak for 1 hour, so I will go through my notes in an effort to comment on the tax bill that recently passed this House, and which I hope will be radically changed by the conference committee before it is resubmitted here.

Then, time permitting, I would like to talk about our trade relationship with the People's Republic of China, because when the House returns after the August break, we may be confronted with a major decision to be made with regard to whether to grant permanent most-favored-nation status or farm trade relations to the Peoples' Republic of China.

Focusing first on the tax bill, I would like to focus on two things: First, the content of the bill. So many speeches have been given on this floor talking about the size of the bill, and I do want to address that.

But there are many more differences between the Democratic position and the Republican position than their bill is three and one-half times the size of ours. Because when we look at the con-

tent of the Republican tax bill and to whom it grants relief, then we will see major differences in philosophy.

□ 1515

Madam Speaker, I spent over 20 years as a CPA, as a tax attorney, and as a tax court judge. I know tax fraud when I see it. The statements made in support of the Republican tax bill rise to the level of tax fraud.

We are told that we are giving people their money back. Yet, we take money from working men and women and provide in this Republican tax bill huge tax breaks to the rich and the special interests.

At least a dozen speakers have risen on this floor to claim that the Republican tax bill eliminates the marriage penalty; and, yet, it provides only minor relief. We are told that it provides tax cuts for working families, but it gives only a few crumbs to those in the bottom two-thirds of income in this country. It is a bill that we are told provides for school construction; and, yet, it provides very little. Likewise, with providing incentives for research.

Madam Speaker, Winston Churchill once remarked in talking about the pilots who saved Britain from the Nazi bombers, "never have so many owed so much to so few." If we enact the Republican tax bill, then it will be said of us as a people "never have so many given so much to so few", because we are asked, as a people of over a quarter billion in number, to give huge tax relief to the top 1 percent of our population.

I see that I am joined by the gentleman from Texas (Mr. TURNER) who would also like to talk about the tax bills that have recently passed this House.

Madam Speaker, I yield to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Madam Speaker, I want to join with the gentleman from California (Mr. SHERMAN) on this hour of debate, this time that is set aside at the end of the day, to talk about the issues facing us.

I would like to spend just a moment addressing the tax cut proposal that was before the House in the last few days.

The Republican tax message is one cannot trust the Congress to act responsibly with the surplus. They say get the money out of town before it even arrives here yet. It is a little bit ironic to think their theme is one cannot trust the Congress to manage the money wisely when, in fact, the last time I checked, they were in the majority in this House.

Their bill spends a trillion dollars, giving a \$794 billion tax cut that is based on a future guesstimate of a trillion dollar on-budget surplus that is so far in the future that, if one looks at the tax cut year by year over the next 10 years, the tax cut planned in that \$794 billion for next year is only \$5 billion, six-tenths of 1 percent of the total tax cut.

The Federal Government, as my colleagues know, ran annual deficits for 29 years straight and ran up a \$5.6 trillion national debt. The annual interest on that debt exceeds the annual spending, if one can believe this, on all of national security.

The interest on the national debt takes 25 percent of all individual income taxes collected by the Federal Government every year.

Do my colleagues not think that we could be disciplined enough just to run one true budget surplus before we spend what we do not even have yet? If a business had borrowed money from a bank to operate for 29 years straight and, for the first time in 29 years, it showed a small profit, would the business declare a dividend to the stockholders; or would it try to pay down that huge debt they had accumulated? I think the answer is obvious.

Last week, the House had a historic opportunity to do what every businessman or woman, every family in America would do when faced with the choice of paying down debt or passing on that debt to our children, our grandchildren.

By a margin of 9 votes, this House defeated a responsible Democratic alternative that was designed to ensure that we had a reasonable tax cut while preserving Social Security and Medicare. We even had on the floor of the House a motion to recommit that provided that 50 percent of the on-budget surplus would go to paying down the debt, 25 percent for tax cuts, and 25 percent for priority spending needs, such as Medicare and Social Security.

Every Democrat on the floor of this House voted for that responsible alternative. Only one Republican joined us. All the remainder voted against that alternative.

I ask, where have all the fiscal conservatives in the Republican Party gone? Fiscal conservatives do not spend money that we do not even have yet. Fiscal conservatives do not ignore the advice of the Federal Reserve Chairman, Alan Greenspan, who has said over and over again before committees in this House that the best use of the surplus is to pay down debt.

Fiscal conservatives do not gamble with our economic security, our health security, or our retirement security. Fiscal conservatives understand that reducing the national debt lowers interest rates. For example, a 2 percentage point reduction in interest rates on the purchase of a \$90,000 home means a savings of almost \$1,500 a year in mortgage payments for American families. That is \$1,200 more than a family with an income of \$50,000 a year would get from the Republican tax cut plan. That family, under their plan, only gets \$300 a year.

Fiscal conservatives do not gamble with our economic security. They understand that our health security, our retirement security, our economic security is the important thing that must be preserved by the Congress.